

G. "900 MHz channel" means a trunked or conventional channel or frequency pair in the 900 MHz band within a 25 mile radius of the geographic center of any city identified in section II paragraphs B and C, capable of being used in providing trunked SMR service in accordance with the Federal Communications Act.. Center coordinates are defined in 47 C.F.R. §90.635 and in Federal Communications Commission Public Notice 43004, Private Radio 800 MHz Systems Application Waiting List, released May 27, 1994. For the purposes of this Final Judgment, the location of channels shall be determined as of September 1, 1994.

H. "Management agreement" means the SMR Systems Facilities Services Agreement, SMR User Acceptance Agreement and any and all such agreements relating to Motorola's and/or Nextel's management of an SMR license for any licensee.

I. "Motorola" means Motorola, Inc., each affiliate, subsidiary or division thereof, and each officer, director, employee, agent or other person acting for or on behalf of any of them.

J. "Nextel" means Nextel Communications, Inc., each affiliate, subsidiary or division thereof, and each officer, director, employee, agent or other person acting for or on behalf of any of them. Nextel shall include OneComm Corporation as provided for in the Agreement and Plan of Merger dated July 13, 1994 and Dial Page, Inc. as provided for in the letter of intent dated August 5, 1994.



K. "Person" means any natural person, corporation, association, firm, partnership or other legal entity.

L. "SMR infrastructure equipment" means equipment (e.g., switches, transmission equipment, and radio base stations) used by an SMR service provider in or for the provision of SMR service anywhere in North America and includes related software, maintenance and support services and other equipment, products or services used to provide SMR service.

M. "Specialized Mobile Radio System" or "SMR" means a radio system in which licensees provide land mobile communications services (other than radio-location services) in the 800 MHz and 900 MHz bands on a commercial basis as defined and regulated in 47 C.F.R. Part 90.

### III.

#### APPLICABILITY

A. The provisions of this Final Judgment shall apply to defendants, to each of their successors and assigns, to their subsidiaries, affiliates, directors, officers, managers, agents, and employees, and to all persons in active concert or participation with any of them who shall have received actual notice of this Final Judgment by personal service or otherwise.

B. Nothing herein contained shall suggest that any portion of this Final Judgment is or has been created for the benefit of any third party and nothing herein shall be construed to provide any rights to any third party.



#### **IV.**

##### **PROHIBITED CONDUCT**

**Defendants are enjoined and restrained as follows:**

**A. Defendants as a group may not hold or acquire licenses for more than thirty (30) 900 MHz channels in any Category A City or more than ten (10) 900 MHz channels in any Category B City without the prior written permission of plaintiff. To the extent that defendants are currently the licensees for more than thirty (30) 900 MHz channels in any Category A City or more than ten (10) 900 MHz channels in any Category B City, defendants shall divest fully and completely all licensed channels in excess of the relevant number and sell all SMR infrastructure equipment attributable to the divested channels to a person or persons approved by the plaintiff, provided, however, that the provisions of this Final Judgment shall have no effect with respect to frequencies licensed under the authority of a foreign government.**

**B. Defendants shall not finance any portion of the purchase of any license pursuant to a sale mandated by section IV. paragraph A of this Final Judgment without plaintiff's prior written permission.**

**C. Except as permitted by paragraph E, defendants shall terminate management agreements relating to all 900 MHz channels in Category A and Category B Cities at the written request of the licensee. Further, defendants are prohibited from exercising, maintaining, enforcing or claiming any right of first refusal to purchase the system, license or operation relating to such channels, and**



are prohibited from exercising, maintaining, enforcing or claiming any right to select the SMR infrastructure equipment to be deployed on the systems.

D. Except as permitted by paragraph E, defendants are further enjoined and restrained from taking any action to prevent or inhibit a licensee's termination of its management agreement and/or affiliating with a network controlled by a third-party pursuant to section IV. paragraph C, above.

Defendants may, however, require a licensee to provide 120 days notice of an intent to exercise its rights under section IV. paragraph C, and may solicit customers of a terminating system to purchase defendants' services. Nothing in this paragraph shall impose any express or implied duty on the part of defendants to conduct business with any person.

E. Notwithstanding the provisions of section IV. paragraphs C and D, above, defendants may (1) refuse to terminate a management agreement, (2) exercise, maintain, enforce or claim a right of first refusal to purchase, or (3) exercise, maintain, enforce or claim a right to select the SMR infrastructure equipment used by a 900 MHz channel in a Category A City when, including that channel, the defendants as a group control by license and by management agreement, combined, thirty (30) or fewer 900 MHz channels in that city. Further, defendants may (1) refuse to terminate a management agreement, (2) exercise, maintain, enforce or claim a right of first refusal to purchase, or (3) exercise, maintain, enforce or claim a right to select the SMR infrastructure equipment used by a 900 MHz channel in a Category B City when, including that



channel, the defendants as a group control by license and by management agreement, combined, ten (10) or fewer 900 MHz channels in that city.

F. Defendants shall fully and completely divest forty-two (42) 800 MHz channels in the Category C City to a person or persons approved by the plaintiff. Defendants shall have the full discretion to designate the frequencies to be divested. The divestitures required by this paragraph shall be contingent upon closing of the transaction contemplated by the letter of intent between Nextel and Dial Page, Inc., dated August 5, 1994. Further, any transaction to accomplish such divestitures may be made contingent upon closing of the transaction contemplated by the letter of intent between Nextel and Dial Page, Inc., dated August 5, 1994.

G. Defendants are enjoined and restrained from entering into new management agreements for 900 MHz channels in any Category A or Category B Cities, except as to channels owned or managed by defendants as of August 4, 1994, without the prior written permission of plaintiff. Defendants are further enjoined and restrained from holding or acquiring, either directly or indirectly, more than a five percent ownership interest in any corporation or entity that itself owns, controls, or manages, either directly or indirectly, 900 MHz channels in any Category A or B Cities without the prior written permission of the plaintiff unless the corporation's or entity's ownership, control or management of 900 MHz channels in combination with that of defendants is less than or equal to thirty (30)



900 MHz channels if a Category A city and ten (10) 900 MHz channels if a Category B city.

H. For purposes of complying with the provisions of section IV. paragraphs A through F, defendants shall share information and enter agreements to the extent reasonably necessary to effect the allocation between them with respect to 900 MHz channels they will continue to license under the relevant number limit.

I. Defendants shall take all reasonable steps to complete the required divestitures no later than 180 days after entry of this Final Judgment. Defendants shall provide plaintiff notice when the divestitures have been completed in accordance with the terms of this Final Judgment with respect to each city. In its sole discretion, plaintiff may extend the date by which defendants are required to divest rights in 900 MHz frequencies; provided however, that plaintiff shall extend the divestiture period to accommodate proceedings by the Federal Communications Commission with respect to the transfer of any divested license.

J. Until the divestitures required by this Final Judgment have been accomplished, defendants shall refrain from taking any action that would jeopardize the economic viability of properties to be divested.



V.

AGENT

A. If defendants have not completed the required divestitures within 180 days of entry of this Final Judgment, the Court shall, upon application of the plaintiff, appoint an agent to effect the mandated sales. After the agent's appointment becomes effective, defendants immediately shall identify specific frequencies to be divested. Thereafter, only the agent, and not the defendants, shall have the right to sell excess licensed channels. The agent shall have the power and authority to effectuate the mandated sales at such price and on such terms as are then obtainable by the agent, to a purchaser acceptable to the plaintiff, subject to the provisions of this Final Judgment. The agent shall have such other powers as the Court deems appropriate. Defendants shall use all reasonable efforts to assist the agent in accomplishing the required sales. Defendants shall not object to a sale by the agent on any grounds other than malfeasance. Any such objection by defendants shall be conveyed to plaintiff and to the agent within fifteen (15) days after the agent has notified defendants of a proposed sale.

B. The agent shall be a business broker with experience and expertise in the disposition of telecommunications properties. Plaintiff shall provide defendants with the names of not more than two nominees for the position of agent for the required divestiture. Defendants will notify plaintiff within five days thereafter whether either or both such nominees are acceptable. If either or both



of such nominees are acceptable to defendants, plaintiff shall notify the Court of the person or persons upon whom the parties have agreed and the Court shall appoint one of the nominees as agent. If neither of such nominees is acceptable to defendants, defendants shall furnish to plaintiff within five days after plaintiff provides the names of its nominees, written notice of the names and qualifications of not more than two nominees for the position of agent for the required divestiture. Plaintiff shall furnish the Court the names and qualifications of its proposed nominees and the names and qualifications of the nominees proposed by defendants. The Court may hear the parties as to the qualifications of the nominees and shall appoint one of the nominees as agent.

C. The agent shall serve at the cost and expense of defendants, on such terms and conditions as the Court may prescribe, and shall account for all monies derived from the sale of channels and all costs and expenses so incurred.

D. The agent shall have full and complete access to the personnel, books, records, and facilities of the defendants relevant to excess licensed channels and the defendants shall develop such financial or other information relevant to the channels to be sold as the agent may request. Defendants shall take no action to interfere with or impede the agent's accomplishment of the sale and shall use their best efforts to assist the agent in accomplishing the required sale.

E. After his or her appointment, the agent shall file monthly reports with the parties and the Court setting forth the agents' efforts to accomplish divestitures contemplated under this Final Judgment. If the agent has not



accomplished such divestitures within six months after the agent's appointment, the agent shall thereupon promptly file with the Court a report setting forth (1) the agent's efforts to accomplish the required divestitures, (2) the reasons, in the agent's judgment, why the required divestitures have not been accomplished, and (3) the agent's recommendations. The agent at the same time shall furnish such report to the parties, who shall each have the right to be heard and to make additional recommendations. The Court thereafter shall enter such orders as it shall deem appropriate to carry out the purpose of the agency, which shall include, if necessary, extending the term of the agency and the term of the agent's appointment.

#### VI.

#### SANCTIONS

Nothing in this Final Judgment shall bar the United States from seeking, or the Court from imposing, against defendants or any person any relief available under any applicable provision of law.

#### VII.

#### PLAINTIFF ACCESS

A. To determine or secure compliance with this Final Judgment and for no other purpose, duly authorized representatives of the plaintiff shall, upon written request of the Assistant Attorney General in charge of the Antitrust Division, and on reasonable notice to defendants, be permitted:



1. access during defendants' office hours to inspect and copy all records and documents in their possession or control relating to any matters contained in this Final Judgment; and

2. to interview defendants' officers, employees, trustees, or agents, who may have counsel present, regarding such matters. The interviews shall be subject to defendants' reasonable convenience and without restraint or interference from defendants.

B. Upon written request of the Assistant Attorney General in charge of the Antitrust Division, defendants shall submit such written reports, under oath if requested, relating to any of the matters contained in this Final Judgment as may be reasonably requested.

C. No information or documents obtained by the means provided in this section VII shall be divulged by plaintiff to any person other than a duly authorized representative of the executive branch of the United States or a duly authorized representative of the Federal Communications Commission, except in the course of legal proceedings to which the United States is a party, or for the purpose of securing compliance with this Final Judgment, or as otherwise required by law.

## VIII.

### FURTHER ELEMENTS OF DECREE

A. Defendants shall provide each licensee subject to a management agreement with a copy of this Final Judgment and notice of their rights under this



Final Judgment in a form approved by plaintiff within seven days of the date this Final Judgment is entered.

B. This Final Judgment resolves issues with respect to: (1) defendants' consummated and proposed acquisitions of 800 MHz channels in the continental United States and Canada; (2) proposed mergers and acquisitions between Nextel, OneComm Corporation and Dial Page, Inc.; and (3) agreements between and among the defendants as of August 4, 1994 with respect to the financing and construction of SMR systems. Nothing in this Final Judgment, expressly or by implication, is intended to affect defendants' activities except as specifically required herein.

C. This Final Judgment shall expire ten years from the date of entry.

D. Jurisdiction is retained by this Court for the purpose of enabling any of the parties to this Final Judgment to apply to this Court at any time for further orders and directions as may be necessary or appropriate to carry out or construe this Final Judgment, to modify or terminate any of its provisions, to enforce compliance, and to punish violations of its provisions.

E. Five years after the entry of this Final Judgment, any party to this Final Judgment may seek modification of its substantive terms and obligations, and neither the absence of specific reference to a particular event in the Final Judgment, nor the foreseeability of such an event at the time this Final Judgment was entered, shall preclude this Court's consideration of any modification request.



The common law applicable to modification of final judgments is not otherwise altered.

F. Entry of this Final Judgment is in the public interest.

DATED:

UNITED STATES DISTRICT JUDGE



IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA

UNITED STATES OF AMERICA,  
Plaintiff,

v.

MOTOROLA, INC. and  
NEXTEL COMMUNICATIONS, INC.  
Defendants.

Civil Action No.

94 2331

STIPULATION

IT IS HEREBY STIPULATED AND AGREED, by and between the undersigned parties, by their respective attorneys, that:

1. The parties consent that a Final Judgment in the form hereto attached may be filed and entered by the Court, upon the motion of any party or upon the Court's own motion, at any time after compliance with the requirements of the Antitrust Procedures and Penalties Act (15 U.S.C. § 16), and without further notice to any party or other proceedings, provided that plaintiff has not withdrawn its consent, which it may do at any time before the entry of the proposed Final Judgment by serving notice thereof on defendants and by filing that notice with the Court.

2. The parties shall abide by and comply with the provisions of the Final Judgment pending entry of the Final Judgment.

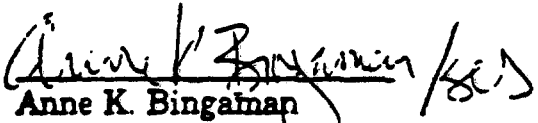
3. In the event plaintiff withdraws its consent or if the proposed Final Judgment is not entered pursuant to this Stipulation, this Stipulation will be of no



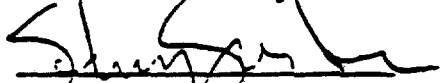
effect whatever, and the making of this Stipulation shall be without prejudice to any party in this or any other proceeding.

Dated: October 27, 1994

**FOR THE PLAINTIFF:**

  
Anne K. Bingaman

Assistant Attorney General



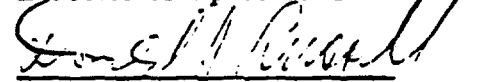
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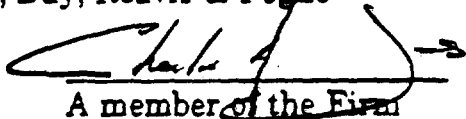
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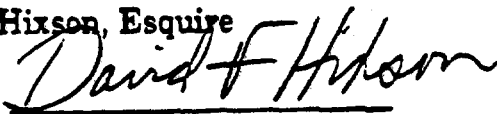
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**FOR MOTOROLA, INC.:**

David F. Hixson, Esquire

BY:



Vice President and General Attorney

1303 East Algonquin Road

Schaumburg, Illinois 60196

708-576-3960



IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA

UNITED STATES OF AMERICA, )  
555 4th Street, N.W., Room 8104 )  
Washington, D.C. 20001 )  
Plaintiff, )

v. )

MOTOROLA, INC. )  
1303 East Algonquin Road )  
Schaumburg, Illinois 60196 and )  
NEXTEL COMMUNICATIONS, INC. )  
201 Route 17 North )  
Rutherford, New Jersey 07070 )  
Defendants. )

CASE NUMBER 1:94CV02331

JUDGE: Thomas F. Hogan

DECK TYPE: Antitrust

DATE STAMP: 10/27/94

COMPLAINT FOR JUDGMENT AND INJUNCTIVE RELIEF (ANTITRUST)

The United States of America acting under the direction of the Attorney General, brings this civil action to obtain equitable and other relief against Nextel Communications, Inc. ("Nextel") and Motorola, Inc. ("Motorola") and complains and alleges as follows:

1. Nextel and Motorola are the nation's leading providers, and each other's principal competitors, of specialized mobile radio ("SMR") service, a form of radio dispatch service which enables a customer to communicate between and among a fleet of vehicles, such as delivery trucks, repair trucks and messenger services.

2. Nextel and Motorola have agreed to transfer control of substantial portions of Motorola's SMR service business to Nextel, both through Nextel's purchase of a substantial portion of Motorola's SMR frequencies and its assumption of management control of most of Motorola's remaining SMR



frequencies. As a result, Nextel will control virtually all of the frequencies currently used for SMR service in fifteen (15) of the largest cities in the United States. The agreement also contemplates transfer of twenty-four percent (24%) of Nextel's voting securities to Motorola and requires Nextel to purchase SMR radio equipment from Motorola.

3. Unless the execution of the agreement between Nextel and Motorola is blocked, competition in the SMR service business will be reduced substantially in fifteen (15) major cities in the United States. As a result, consumers will face increased prices for SMR service and decreased quality and availability of service. The agreement may also inhibit the deployment of alternative technologies.

#### I.

#### JURISDICTION AND VENUE

4. This complaint is filed under Section 15 of the Clayton Act, as amended, 15 U.S.C. § 25, to prevent and restrain the violation by the defendants of Section 7 of the Clayton Act, as amended, 15 U.S.C. § 18. This Court has jurisdiction of the subject matter of this action and each of the parties pursuant to Section 12 of the Clayton Act, 15 U.S.C. § 22, and 28 U.S.C. §§ 1331 and 1337.

5. Motorola transacts business and is found in the District of Columbia within the meaning of Section 12 of the Clayton Act, 15 U.S.C. § 22.

6. Nextel transacts business and is found in the District of Columbia within the meaning of Section 12 of the Clayton Act, 15 U.S.C. § 22.



7. Venue is properly based in the District of Columbia under 15 U.S.C. § 22 and 28 U.S.C. § 1391(b) and (c).

## II.

### DEFENDANTS

8. Motorola is a corporation organized and existing under the laws of the state of Delaware, with its principal office in Schaumburg, Illinois.

9. Nextel is a corporation organized and existing under the laws of the state of Delaware, with its principal office in Rutherford, New Jersey.

10. The activities of the defendants are within the flow of, and substantially affect, interstate commerce.

## III.

### TRADE AND COMMERCE

11. "SMR service" means land mobile communications services provided on a commercial basis pursuant to Part 90, Subpart S of the Rules of the Federal Communications Commission ("FCC"), 47 C.F.R. §§ 90.601 - 90.659.

12. Commonly referred to as "dispatch" service, SMR service is used for quick, reliable and private communications by operators of vehicle fleets, such as contractors, service companies and delivery services, to communicate with and within those fleets either on a one-to-one or one-to-many basis. Dispatch communications, unlike telephone conversations, are typically frequent in number and short in duration. For example, a dispatch communication could be used to determine a vehicle's location or to assign a service call. SMR service is also used



because customers find it unnecessary or undesirable to provide every truck in the fleet with cellular telephones, at least in part because cellular service is much more expensive.

13. "Trunked" SMR service allows customers to share radio frequencies, increasing the likelihood that any particular user will be able to gain access to a channel when that user needs to transmit a message. The specific channel used for a particular transmission is assigned automatically by computer when the customer pushes the button to talk. Once the SMR system has assigned a specific channel, the customer has exclusive and private use of that channel for the duration of the communication. In contrast, a conventional, or untrunked, dispatch system is akin to a multi-party telephone line. Conversations can be overheard by other persons and the use of the line is assigned by customers themselves on a first-come, first-served basis. A customer of a conventional dispatch system cannot always gain quick access to the system.

14. SMR systems have historically used high-elevation base stations to receive signals from transmitting radios, to allocate signals among available channels and to transmit the enhanced signal to the mobile units. In this deployment, SMR systems can cover a broad geographic area, allowing customers to communicate easily with their entire group over much, if not all, of a metropolitan area with only a single transmission from the high-elevation base station. In contrast, cellular telephone companies "reuse" spectrum by dividing a geographic area into groups of "cells" and using a frequency once per cell grouping



but many times within the single system; each cell covers only a portion of a metropolitan area, and a single cellular call can be passed from one cell to another as the mobile unit moves across the metropolitan area. Cellular design is not as well suited to provide SMR service, since several cells would have to transmit the communication in order to reach the entire group. Currently, the FCC prohibits cellular companies from providing one-to-many dispatch service.

15. There is a limited amount of spectrum available for SMR service. The FCC has allocated specific radio frequencies for SMR service. Those frequencies are located in the 800 MHz and 900 MHz radio bands. Within each frequency band there is a specified number of channels assigned to SMR service. Channels are assigned in pairs to permit two-way communication. From the late 1970's through 1988, the FCC allocated 280 channel pairs of 800 MHz bandwidth for SMR services. Those channels quickly reached their capacity of 100 to 150 customers per channel in most large cities. In 1986, the FCC allocated an additional 200 channel pairs in the 900 MHz bandwidth in the 50 largest metropolitan areas for SMR service. Even though the mobile radios used on 800 MHz and 900 MHz systems are not compatible with each other, 800 MHz and 900 MHz systems provide functionally similar service.

16. More recently, the FCC allocated 100 channel pairs in the 220 MHz bandwidth for local or regional trunked radio systems, including SMR systems. When implemented, SMR service in the 220 MHz band will be functionally similar to SMR services in the 800 MHz and 900 MHz bands. At present, however, the



only constructed 220 MHz SMR systems are in California. The scope of expected implementation varies by city. Further, 220 MHz service will require some time to gain commercial acceptance and to affect competition for 800 MHz and 900 MHz service, as 800 MHz and 900 MHz services required when they were first implemented.

17. Trunked SMR service on 800 MHz, 900 MHz and 220 MHz is a relevant product market. Conventional dispatch service is not a substitute because it affords lesser privacy and lower reliability. Mobile telephone service is not a substitute because it is significantly more expensive than SMR service, is significantly more difficult for customers to restrict communications to the defined fleet or group, and because it cannot be provided on a one-to-many dispatch basis.

18. The relevant geographic markets are the service areas in which the FCC has issued licenses for the provision of SMR service. There are fifteen cities -- including nine of the ten largest metropolitan areas in the United States -- where the effects of this transaction will be anticompetitive: Atlanta, Georgia; Boston, Massachusetts; Chicago, Illinois; Dallas, Texas; Denver, Colorado; Detroit, Michigan; Houston, Texas; Los Angeles, California; Miami, Florida; New York, New York; Orlando, Florida; Philadelphia, Pennsylvania; San Francisco, California; Seattle, Washington; and Washington, D.C.

19. The FCC's early licensing policies of 800 MHz spectrum led to an industry with numerous small SMR service providers. Applicants could apply for up to 20 (later reduced to five) trunked channel pairs per market. To retain a



trunked channel pair an SMR provider had to build its facilities within one year of receiving its license and have a certain number of subscribers. Systems not meeting the standards would have unloaded (unused) channels reassigned to applicants on a waiting list. Applicants for 900 MHz channels could apply for up to ten channel pairs per market. As with 800 MHz licensees, the 900 MHz SMR provider had to meet construction and loading requirements. Failure to do so caused the unconstructed or unloaded channels to revert to the FCC for future reallocation.

20. Initially, the FCC allowed radio equipment manufacturers, like Motorola, to own no more than one 20 channel trunked system. That restriction was later removed. The FCC did, however, permit Motorola and others to manage licenses held by other persons in exchange for a percentage of the revenues of the operation. Motorola took advantage of that rule and contracted to manage a large number of SMR systems. Those agreements are typically for ten years. In addition to assigning the managing company responsibility for daily operations, many of Motorola's management agreements grant it the right to select the base station equipment to be deployed by the system and the right of first refusal in the event the licensee receives an offer to purchase the system. While the FCC requires that management agreements technically leave control of the operations in the hands of the licensee, managing companies generally have effective control of the channels they manage.



21. In recent years, Nextel and other companies have been expanding their channel holdings by acquiring competing SMR service providers in the 800 MHz band. As a result, Nextel holds a dominant share of the 800 MHz SMR spectrum available for trunked SMR services in most of the largest markets in the country. Motorola is the second-largest provider of trunked SMR services in the United States.

22. Nextel's acquisitions were undertaken as part of a plan to replace the existing SMR systems with digital mobile networks. The FCC first authorized Nextel to implement digital networks in 1991. Digital mobile networks will employ the technology known as the Motorola Integrated Radio System, or "MIRS," developed by Motorola that employs a frequency reuse configuration much like that used for cellular networks. Nextel expects to become a major provider of mobile telephone services, in competition with the two cellular service providers, as well as to continue being a dispatch service provider. As part of its plan to establish digital mobile networks, Nextel entered into agreements to purchase two other companies that planned to establish regional digital mobile networks. On July 13, 1994, Nextel entered into an Agreement and Plan of Merger with OneComm Corporation, which accumulated 800 MHz spectrum in sixteen Western states. On August 5, 1994, Nextel entered into a similar agreement with Dial Page, Inc., which accumulated 800 MHz spectrum in twelve Southeastern states.



23. In addition to its 800 MHz owned and managed channels, Nextel owns and manages 900 MHz channels in a number of major cities. The 900 MHz channels may be used to provide SMR services, but current technology does not permit their utilization in conjunction with the planned MIRS digital mobile networks.

24. On August 4, 1994, Nextel and Motorola entered into an agreement by which Nextel will acquire Motorola's 800 MHz SMR systems and the right to manage Motorola's 900 MHz systems. Motorola will receive twenty-four percent (24%) of Nextel's voting securities and will sell Nextel MIRS equipment for its digital mobile networks.

25. In each of the fifteen markets, this agreement will substantially reduce competition in the market for trunked SMR service, as described below in paragraphs 26-40. In each of these markets the proposed acquisition will substantially increase concentration in already concentrated markets. Using a measure of market concentration called the "HHI" (defined and explained in Appendix A), the HHI is currently greater than 2200 in each of them, and the transaction will increase the HHI by more than 1400 points and leave Nextel with the ability to increase the prices of or decrease the quality or quantity of trunked SMR services.

26. In Atlanta, Georgia, Nextel will own or manage, upon closing of its agreement with Dial Page, approximately 250 800 MHz channels. Motorola is the largest remaining provider of SMR services in Atlanta; it owns or manages



approximately 50 800 MHz channels and 90 900 MHz channels there. Other providers of trunked SMR services currently hold, in total, licenses for approximately 105 800 MHz and 900 MHz channels on which they can provide trunked SMR service.

27. In Boston, Massachusetts, Nextel currently owns or manages approximately 200 800 MHz channels and 60 900 MHz channels. Motorola is the largest remaining provider of SMR services in Boston; it owns or manages approximately 30 800 MHz channels and 60 900 MHz channels there. Other providers of trunked SMR services currently hold, in total, licenses for approximately 200 800 MHz and 900 MHz channels on which they can provide trunked SMR service.

28. In Chicago, Illinois, Nextel currently owns or manages approximately 112 800 MHz channels and 50 900 MHz channels. Motorola is the largest remaining provider of SMR services in Chicago; it owns or manages approximately 77 800 MHz channels and 80 900 MHz channels there. Other providers of trunked SMR services currently hold, in total, licenses for approximately 115 800 MHz and 900 MHz channels on which they can provide trunked SMR service.

29. In Dallas, Texas, Nextel currently owns or manages approximately 190 800 MHz channels and 50 900 MHz channels. Motorola is the largest remaining provider of SMR services in Dallas; it owns or manages approximately 75 800 MHz channels and 70 900 MHz channels there. Other providers of



trunked SMR services currently hold, in total, licenses for approximately 62 800 MHz and 900 MHz channels on which they can provide trunked SMR service.

30. In Denver, Colorado, Nextel, upon closing of its agreement with OneComm, will own or manage approximately 160 800 MHz channels. Motorola is the largest remaining provider of SMR services in Denver; it owns or manages approximately 90 800 MHz channels there. Other providers of trunked SMR services currently hold, in total, licenses for approximately 165 800 MHz and 900 MHz channels on which they can provide trunked SMR service.

31. In Detroit, Michigan, Nextel currently owns or manages approximately 93 800 MHz channels. Motorola is the largest remaining provider of SMR services in Detroit; it owns or manages approximately 67 800 MHz channels and 30 900 MHz channels there. The several other providers of trunked SMR services currently hold, in total, licenses for approximately 50 800 MHz and 900 MHz channels on which they can provide trunked SMR service.

32. In Houston, Texas, Nextel currently owns or manages approximately 146 800 MHz channels and 40 900 MHz channels. Motorola is the largest remaining provider of SMR services in Houston; it owns or manages approximately 125 800 MHz channels and 100 900 MHz channels there. Other providers of trunked SMR services currently hold, in total, licenses for approximately 110 800 MHz and 900 MHz channels on which they can provide trunked SMR service.